Belveder Contracting

P.O. Box 904 Sandy Hill, NC 27777

December 8, 2006

I. M. Resident, P. E. North Carolina Department of Transportation P.O. Box 222 Casual, North Carolina, 27775

Project: 8.1234567 (R-7891) Big Bridge Project

Beach County NFH-124-(83)

Subject: Contract Impacts

Dear Mr. Resident:

This letter is a follow up to our recent verbal notification and our earlier letters when we notified you that our work on the Project has been and continues to be materially and adversely affected by events beyond our reasonable control. As a result, our labor, overhead, and equipment costs have been adversely impacted. Over the past several months, we have been providing to you various records of weekly labor, equipment, and overhead for the entire project. We have now concluded that the entire project has been so materially and adversely affected that we will furnish you, on a weekly basis, records of our labor, equipment, and overhead for the entire project. It is our understanding that the documentation that we are providing to you on a weekly basis satisfies the contractual record keeping requirements of Sections 104-8 and 109-3 of the Standard Specifications for Roads and Structures.

If you believe that any additional information is needed in order for us to comply with the contract, please contact us at your earliest convenience.

Sincerely yours,

Joe B. Green Project Manager

cc: Field File J. Bookman